

MINUTE ITEM

27. DELEGATIONS OF AUTHORITY TO THE EXECUTIVE OFFICER - GEN. DATA,
W.O. 1087D.

After consideration of Calendar Item 1 attached, and upon motion duly
made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO RESCIND LEASE OFFERS WHEN THE
APPLICANT DOES NOT EXECUTE AND RETURN THE LEASE TO THE COMMISSION AND
PAY THE FIRST ANNUAL RENTAL OR OTHER CONSIDERATION WITHIN 30 DAYS AFTER
THE LEASE HAS BEEN DELIVERED TO THE APPLICANT.

Attachment

Calendar Item 1 (1 page)

CALENDAR ITEM

1.

DELEGATIONS OF AUTHORITY TO THE EXECUTIVE OFFICER - GEN. DATA, W. O. 1087D.

Section 6504 of the Public Resources Code reads in part:

"Whenever, any lease is delivered to an applicant by the Commission, the lessee shall within 30 days thereafter execute and return the lease to the Commission and pay the first annual rental or other consideration."

Where an applicant decides not to enter into a lease after the lease document has been delivered, and therefore does not execute and return the lease or pay the first annual rental, it is now necessary for the Commission to rescind its action of authorization in order to close the transaction.

Although the Executive Officer has been delegated authority to execute leases, he has not been delegated the power to rescind lease offers previously authorized by the Commission.

IT IS RECOMMENDED THAT:

1. THE EXECUTIVE OFFICER BE AUTHORIZED TO RESCIND LEASE OFFERS WHEN THE APPLICANT DOES NOT EXECUTE AND RETURN THE LEASE TO THE COMMISSION AND PAY THE FIRST ANNUAL RENTAL OR OTHER CONSIDERATION WITHIN 30 DAYS AFTER THE LEASE HAS BEEN DELIVERED TO THE APPLICANT.

(Such rescissions would be reported to the Commission for confirmation pursuant to instructions issued by the Commission at its meeting of October 5, 1959.)